



CITY COUNCIL

AGENDA REQUEST

AGENDA OF:	07-07-15	AGENDA REQUEST NO:	V-D
INITIATED BY:	LANE WOLF SFC PROJECT MANAGER	RESPONSIBLE DEPARTMENT:	ENGINEERING
PRESENTED BY:	CHRISTOPHER STEUBING, PE, CFM, CITY ENGINEER	DIRECTOR:	CHRISTOPHER STEUBING, PE, CFM, CITY ENGINEER <i>CLS</i>
		ADDITIONAL DIRECTOR (S):	JENNIFER MAY, <i>jm</i> DIRECTOR OF ECONOMIC DEVELOPMENT
SUBJECT / PROCEEDING:	SMART FINANCIAL CENTRE AT SUGAR LAND OWNER DIRECT PURCHASE CONTRACTS / AUTHORIZE A CONSTRUCTION CONTRACT WITH SECOA, INC. TO PROVIDE FULL DESIGN AND INSTALLATION SERVICES FOR PACKAGE 2, THEATRICAL EQUIPMENT IN THE AMOUNT OF \$2,141,607.00		
EXHIBITS:	SIGNED CONTRACT SECOA, INC. BID PROPOSAL		
CLEARANCES		APPROVAL	
LEGAL:	EUGENIA CANO, FIRST ASSISTANT CITY ATTORNEY <i>EAC</i>	ASSISTANT CITY MANAGER:	<i>pc</i> JIM CALLAWAY
PURCHASING:	TODD REED, CPPO PURCHASING MANAGER <i>TR</i>	ASSISTANT CITY MANAGER:	N/A
BUDGET:	JENNIFER BROWN, <i>JB</i> DIRECTOR OF FINANCE	CITY MANAGER:	ALLEN BOGARD <i>Allen Bogard</i>
BUDGET			
EXPENDITURE REQUIRED: \$		2,141,607	
CURRENT BUDGET: \$		8,200,000	
ADDITIONAL FUNDING: \$		N/A	
RECOMMENDED ACTION			
Authorize the construction contract with SECOA, Inc. for full design, layout and installation for the Smart Financial Centre at Sugar Land, Package 2, Theatrical Equipment, CIP MU1304, in the amount of \$2,141,607.00.			

EXECUTIVE SUMMARY

During the design process for the Smart Financial Centre at Sugar Land (SFC), there was a need to go through a value engineering (VE) process to ensure the project maintained its established budget. It was through the VE process that the project team determined if the seating, theatrical equipment, theatrical lighting, audio/visual, security, cabling, furniture, fixtures and equipment (FF&E) were purchased as an Owner Direct Purchase (ODP), savings on the project of \$1,271,000 could be achieved – helping to get even closer to the established project budget. By utilizing this method, the project team was able to save on the additional mark-up/fees from the subcontractors who would have been utilized by the Linbeck Group.

The Projects Group, led by Mr. Matt Edwards, played a vital role in working with the City and the Design Team during the design phase to suggest, assess and recommend the line items under review during the VE process. The Projects Group's vast experiences in the specialized arena of performing arts venues were key in helping the overall team achieve its objective of maintaining the budget without sacrificing the overall scope and quality. After the GMP contract was awarded to the Linbeck Group, the City Council took the next steps in approving The Projects Group's contract on December 2, 2014 to proceed with the role of Resident Project Representative (RPR) and further consult during the construction administration process, but most importantly, directly oversee the entire process of the Owner Direct Purchase items. This process entails working directly with the City's Purchasing and Engineering Departments, ACE Theatrical Group, Martinez + Johnson, the design team and Linbeck Group to publicly bid, negotiate, purchase, coordinate, install and oversee testing for all of these categories.

SECOA, Inc. is a nationally recognized integrator of theatre equipment and systems. The credentials of SECOA, Inc. are recognized throughout the industry and have been vetted by The Projects Group, as well as the theatrical design consultant, Schuler Schook, and have been found to be fully capable of performing the specified sections of work. SECOA, Inc. will be providing the work located in 4 sections of the project specifications including the following:

- 1.1a Portable Platforms – Spec. Section 116123
- 1.1b Rigging, Curtains & Tracks – Spec. Section 116133
- 1.1c Pit Lift – Spec Section 144313
- 1.1d Room divider System – Spec Section 116133

SECOA, Inc and their competitors' bids were advertised on March 25th, 2015, and bids were opened on April 30th, 2015. The bids are as follows:

<u>Contractor's Name:</u>	<u>Total Bid:</u>
SECOA, Inc.	\$2,141,607.00
J.R. Clancy	\$2,187,000.00
LVH Entertainment Systems	\$2,344,000.00

SECOA, Inc. is being awarded the theatrical equipment due to their low overall number amongst qualified bidders.

These ODP bids were facilitated by the City of Sugar Land Purchasing Department and coordinated by The Projects Group, with the Engineering Department providing oversight. The theatrical equipment is but one component of the items being purchased through the ODP budget of \$8,200,000. The total contract amount is \$2,141,607.00.

The Engineering and Purchasing Departments recommend that the City Council authorize the construction contract with SECOA, Inc. for the Smart Financial Centre at Sugar Land project (CIP 1304) in the amount of \$2,141,607.00.

EXHIBITS

SECTION 08



Purchase Order

City of Sugar Land
(Hereinafter "Buyer")

DATE:
PROJECT: Smart Financial Centre at
Sugar Land, Sugar Land, Texas

GOODS: Theatrical Equipment in accordance
with the terms, conditions, specifications,
drawings and other requirements of Invitation
and Instructions to Bidders dated March 25,
2015.

TO: SECOA, Inc.

JOB NUMBER: 2015-13

(Hereinafter "Seller/Bidder")

This is your authorization to furnish the materials, services, equipment, appliances for the Project, as identified on Exhibit A, at the prices set forth therein, and subject to the terms and conditions of the following contract documents ("Seller's Work"):

1. This Purchase Order;
2. Invitation and Instructions to Bidders dated March 25, 2015, all specifications and drawings therein and all Addenda issued thereto (collectively "Bid Documents");
3. Bidder's Bid, to the extent not in conflict with the provisions of the Purchase Order and Bid Documents, and as agreed by Seller.

SELLER'S ACCEPTANCE OF THIS ORDER IS LIMITED TO ACCEPTANCE OF THE EXPRESS
TERMS AND CONDITIONS CONTAINED ON THE FACE HEREOF AND AS ATTACHED HERETO.

PAYMENT TERMS: [As set forth in the Bid Documents or as otherwise expressly agreed] [\$2,141,607]

PURCHASE ORDER - TERMS AND CONDITIONS

1. REQUIRED DELIVERY DATE: TIME IS OF THE ESSENCE IN THIS PURCHASE ORDER.
 - 1.1 Bidder agrees to schedule and perform its work as required by the City's separate contractor,

Linbeck Group, LLC and/or its successor in the event Linbeck Group LLC is replaced ("Facility Contractor") so as to: (i) achieve all necessary connection of Bidder's work to the work of Linbeck Group, LLC and/or the Project; and (ii) to eliminate interference or disruption to the work of Linbeck Group, LLC and/or other contractors at the Project.

- 1.2 The overall project is being constructed by Linbeck Group, LLC under a Construction Manager At Risk Contract ("Building Contract"). The Building Contract calls for the construction of a multipurpose revenue generating venue for a variety of performance events, including but not limited to concerts, sporting events, theater and other performing arts ("Building Project"). As such, the failure to perform the work of this Bid Package as required to allow for timely completion of the Building Project will result in significant damages to ACE and the City, such as, by way of example and not limitation, cancellation fees, additional sales and marketing costs, lost revenues and lost profits, which damages are difficult to ascertain and estimate. Accordingly, the successful Bidder and the City agree, that for each calendar day beyond the date of Substantial Completion, as defined in the Building Contract, the Building Project is delayed due to successful Bidder's failure to timely and/or adequately perform its obligations, the successful Bidder will be liable to the City in the following amounts, for the respective periods, as liquidated damages, and not as a forfeiture or penalty of any kind:

<u>Grace Period</u>	<u>Substantial Completion plus 10 calendar days</u>
\$10,000/day	for each day during the period of 11-20 calendar days after the required date of Substantial Completion
\$15,000/day	for each day during the period of 21-30 calendar days after the required date Substantial Completion
\$20,000/day	for each day during the period of 31-45 calendar days after the required date of Substantial Completion
\$25,000/day	for each day during the period after 46 days or more after the required date of Substantial Completion

2. SHIPMENT & DELIVERY: The amount of this Purchase Order shall include all costs incurred by Seller for shipment of all goods made the subject hereof. All goods made the subject hereof are to be suitably prepared and packaged for shipment in accordance with good commercial practice so as to effect safe delivery and free from weather damage and meet the carrier's requirements. All damages occurring prior to delivery will be charged to Seller. No charges will be allowed for packing, crating or carriage unless stated in this Purchase Order. If, in order to comply with Buyer's delivery date it becomes necessary for Seller to ship by a more expensive way than planned, any such increased transportation costs shall be paid by Seller. All shipments shall be clearly labeled in accordance with the provisions of the Bid Documents.

3. INSPECTION. Buyer shall have the right to inspect and test materials at Seller's plant anytime prior to shipment and to conduct additional inspections at any time after arrival at the job site. The making or failure to make any inspection of, payment for or acceptance of delivery of the materials, shall not impair Buyer's right to later reject nonconforming, damaged or defective materials, or to avail itself of any other remedy to which Buyer may be entitled, notwithstanding Buyer's knowledge of the nonconformity, damage or defect at the time of delivery. Seller shall bear the risks and expenses of all returns, including but not limited to freight, insurance, packaging and/or labor resulting from rejection or correction of the goods and equipment furnished hereunder. Seller shall be responsible for inspection of portions of work performed at the Project to determine that such portions are in proper conditions to receive Seller's Work. If Seller finds such portions are not in proper conditions it shall notify Buyer and Facility Contractor in writing, and shall not proceed with Seller's Work affected thereby. If Seller proceeds with such Work, it Waives and Releases any resulting claims.

4. BUYER'S SEPARATE CONTRACTORS. Buyer reserves the right to perform and shall perform other construction work, maintenance and repair work at, near or adjacent to the Project site during the time period of

Seller's Work. Buyer shall have access to the Project site at all times. Buyer will have other work related to the Project performed at the Project site during the time Seller performs Seller's Work. Specifically, without limitation, Buyer's Facility Contractor will be constructing the Project contemporaneously with Seller's fabrication, shipment, delivery and, as may be applicable, providing installation assistance and/or installation of Seller's Work. Seller shall be responsible for assuring proper coordination of the size, locations, capacities, installation requirements, utility or other service requirements, and all other requirements that Seller may have in connection with the installation of any of its equipment by Facility Contractor, with Facility Contractor during design and construction of the Project. Seller shall schedule Seller's Work to coordinate with the work of other contractors, including the Facility Contractor. Buyer will endeavor to have such other work performed so as not to unduly interfere with Seller's performance when Seller notifies Buyer of specific reasonable needs well in advance of those needs and where it is possible to do so. Seller should anticipate some delays and interference to its sequence of work because of work by other contractors and will not be entitled to either an extension of time or additional compensation because of such delays or interference. Seller agrees to and shall take whatever measures are necessary to stay informed of Facility Contractor's performance and most current schedule insofar as said performance and schedule effects Seller's Work. Seller shall conduct its operations in such a manner as not to cause any unnecessary delay or hindrance to Facility Contractor. Seller shall be responsible for all damages to work, to persons, or property caused by Seller, by its operations, and for loss caused due to unreasonable or unjustified delays or failure to finish Seller's Work or portions thereof, within the time requested by Buyer and/or the Facility Contractor. Should Seller cause damage to the work or property of any separate contractor at the Project site, or should any claim arising out of Seller's performance of Seller's Work at the Project site be made by any separate contractor against Seller, Buyer or other consultants, or any other person, Seller shall promptly attempt to settle with such other contractor by agreement, or to otherwise resolve the dispute. Seller and/or its surety shall, to the fullest extent permitted by applicable laws, indemnify and hold Buyer harmless from and against all claims, damages, losses and expenses (including, but not limited to, fees of architects, attorneys and other professional and court costs) arising directly, indirectly or consequentially out of any action, legal or equitable, brought by any separate contractor, including the Facility Contractor, against Buyer, to the extent based on a claim arising out of Seller's negligence or failure to perform in accordance with the provisions of this Purchase Order. Seller agrees that the Facility Contractor is an express third party beneficiary to the provisions of this Paragraph 4. In the event Seller makes any claim on account of or in relation to, without limitation, any performance or failure to perform, acts, omissions, conduct, breaches, demands, statements, publications, interferences, disruptions, delays, suspensions, acceleration or termination of or by the Facility Contractor, or any other of Buyer's separate contractor's, Seller agrees that all such claims ("Seller's Claims") shall be liquidated and severed pursuant to this paragraph. Seller agrees to accept in full satisfaction and discharge of any and all such Seller's Claims, the amounts, if any, that Buyer may collect from Facility Contractor or other responsible separate contractor.

5. **TERMINATION.** Buyer reserves the right to terminate this Purchase Order, or any part hereof, at any time solely for its convenience and without cause. In the event of such termination, Seller shall immediately stop all work hereunder and shall immediately cause all of its suppliers to cease such work. Seller shall not be paid for any work done after receipt of notice of termination, or for any costs incurred by Seller or suppliers which Seller could have avoided. Further, Buyer may also terminate this Order, or any part hereof, for cause in the event of any default by the Seller or if the Seller fails to comply with any of the terms and conditions of this Order. Late deliveries, deliveries of products which are defective or which do not conform to the requirements of this Order, and failure to provide Buyer, upon request, reasonable assurances of future performance shall all be causes for termination of this Order. In the event of termination for cause, Buyer shall have the right to withhold all payments which have become due to Seller and all payments which may thereafter become due, to take possession of all drawings, materials and goods belonging to Seller, and for such purpose, this Order shall be construed as an assignment by the Seller to Buyer of said drawings, materials and goods. Further, in the event of such termination for cause, Seller shall be liable to Buyer for any and all damages, including, but not limited to, attorneys' fees, incurred by Buyer by reason of Seller's default and termination. Buyer may procure, upon such terms and in such manner as Buyer may deem appropriate goods and services similar to those so canceled. In this regard, Seller understands and acknowledges that the time is of the essence and may require expediting fees and/or premiums to complete in the event of a default by Seller. Notwithstanding any other provisions of this Purchase Order, if this Purchase Order provides for the Buyer to make payments to the Seller in any fiscal year following the Buyer's fiscal year in which this Purchase Order begins and the Buyer's city council fails to appropriate funds to make the payments, then this Purchase Order automatically terminates at the beginning of the first day of the successive fiscal year for which

funds were not appropriated, and the Buyer shall not be obligated to make or have any liability to the Seller for the payments.

6. **INSURANCE.** Seller shall comply with Buyer's Insurance Requirements attached hereto as Exhibit B.

7. **WARRANTY:** Seller expressly warrants that all goods or services furnished under this Purchase Order: a) shall conform to all the requirements of the Bid Documents and appropriate standards, will be new, and will be free from defects in material and workmanship; b) will conform to any statements made on the containers or labels or advertisements for such goods or services; c) will be properly contained, packaged, marked and labeled; d) will be merchantable, and will be safe and appropriate for the purpose for which goods and services of that kind are normally used; e) will be subject to the acceptance by Buyer and will pass any inspection by Buyer and any governmental agency or authority having jurisdiction; and f) will be warranted in accordance with the requirements of this Purchase Order and the documents referred to herein.

8. **INDEMNIFICATION: TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE SELLER SHALL INDEMNIFY, PROTECT, DEFEND, AND HOLD HARMLESS THE BUYER, ACE THEATRICAL GROUP, LLC, ACE SL, LLC AND THEIR RESPECTIVE OFFICIALS, OFFICERS, DIRECTORS, PARTNERS, SHAREHOLDERS, AGENTS AND EMPLOYEES (COLLECTIVELY, THE "INDEMNITEES") FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS, FINES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, PENALTIES, AND EXPENSES, [INCLUDING ATTORNEY FEES AND COURT COSTS], OF ANY NATURE, KIND OR DESCRIPTION MADE OR ASSERTED BY ANY PERSON OR ENTITY RESULTING FROM THE WORK, EVEN THOUGH CAUSED IN PART BY THE NEGLIGENCE, (WHETHER JOINT OR CONCURRENT), OF AN INDEMNITEE. IT IS THE EXPRESS INTENTION OF SELLER TO INDEMNIFY THE INDEMNITEES FROM THE CONSEQUENCES OF THEIR NEGLIGENCE. It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligations, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnification obligations shall continue in full force and effect.**

9. **PATENTS, COPYRIGHTS AND TRADEMARKS:** Seller agrees upon receipt of notification from Buyer to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Buyer or its agents for alleged patent, copyright or trademark infringement, as well as any alleged unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished hereunder. Seller further agrees to indemnify Buyer, its agents and assigns from and against any and all loss, cost, royalties, profits or damages of whatsoever nature, including, but not limited to attorneys' fees and court costs, resulting from any such suit or proceeding claiming a violation infringement of a patent, copyright or trademark, including any settlement thereof.

10. **TITLE AND RISK OF LOSS OR DAMAGE:** Seller shall be responsible and bear the risk of loss or damage for the goods or services furnished under this Purchase Order until such time as such goods or services are installed and accepted.

11. **TAXES:** Unless otherwise specifically provided for herein, Seller shall be liable for all federal, state, or local taxes assessed by any governmental entity of any jurisdiction in connection with the goods or services furnished hereunder.

12. **BUSINESS CERTIFICATES/TAXES.** All individuals or, entities entering into a contract with Owner must adhere to the following applicable Texas laws as they pertain to their individual type of ownership:

Corporations (domestic [formed under Texas law] or foreign {formed under laws of another state}) shall be properly registered with the Texas Secretary of State and the Comptroller of Public Accounts as required by TITLE 34, Part 1, Chapter 3, Subchapter V, Rule 3.546 of the Texas Administrative Code. A current "Certificate of Good Standing" from the Texas Comptroller of Public Accounts shall be made available upon request stating that the corporation charter is current and all Texas Franchise Reports and Taxes are paid.

Partnerships and Joint Stock Companies, and Limited Liability Partnerships (domestic [formed under Texas law] or foreign {formed under laws of another state}) shall be, properly registered with the Texas Secretary of State in accordance with TITLE 105 --- PARTNERSHIPS AND JOINT STOCK COMPANIES, CHAPTER ONE --- PARTNERSHIPS, LIMITED PARTNERSHIPS, TEXAS REVISED LIMITED PARTNERSHIP ACT, Article 6132a-1, "Texas Revised Limited Partnership Act." All partners in a partnership must file a "Certificate of Limited Partnership" with the secretary of state, which shall be made available for inspection upon request.

Seller whether Corporate, Partnership, or Sole Owner must be current on Property Taxes. If commercial personal property is located in the jurisdiction, current renditions of these properties must be filed with the Chief Appraiser, as required by Chapter 22, Section 22.01, of the Texas "PROPERTY TAX CODE", and Seller must be current on all taxes owing to Buyer.

13. **DEBARMENT AND SUSPENSIONS.** Seller certifies, to the best of its knowledge and belief, that it is not presently debarred, suspended for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. Seller agrees to comply with all applicable requirements of all federal laws, executive orders, regulations, applicable guidelines, and policies governing this program, particularly relating to nondiscrimination. These include but are not limited to: (i) Title VI of the Civil Rights Act of 1964, as amended; (ii) Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; and (iii) the American with Disabilities Act, as amended.

14. **INDEPENDENT CONTRACTOR.** In all activities or services performed hereunder, the Seller is an independent contractor and not an agent or employee of Buyer. Seller and its employees are not the agents, servants, or employees of Buyer. As an independent contractor, Seller shall be responsible for the Seller's Work contemplated under this Purchase Order. Except for materials furnished by Buyer, Seller shall supply all materials, equipment, and labor required for the Seller's Work to be provided under this Purchase Order. Seller shall have ultimate control over the execution of the Seller's Work. Seller shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subconsultants, and Buyer shall have no control of or supervision over the employees of Seller or any of Seller's subconsultants.

Accepted:

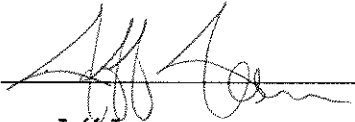
City of Sugar Land

By: _____

Name: _____

Title: _____

Seller: SECOA, Inc.

By:  _____

Name: Jeff Jones

Title: Vice President

EXHIBIT A



The Projects Group

Package #2 - Theatrical Equipment

Contractor: SECOA, Inc.

BID SUMMARY / EVALUATION CRITERIA

Responsive to all Criteria:

Yes

Comments:

1.1a Portable Platforms - Spec Section 116123
1.1b Rigging, Curtains, & Tracks Spec Section 116133
1.1c Pit Lift - Spec Section 144313
1.1d Room Divider System - Spec Section 116133

INTRODUCTION AND BACKGROUND

National integrator of theatre equipment and systems.

SCOPE

All materials, components, and services necessary to provide a complete system for Portable Platforms, Rigging, Curtains, and Tracks as indicated in the related spec sections 116123, 116133, 14413 and TP & TR series drawings.

PROJECT TEAM & STAFF

1. Jeff Jones - Vice President of Business Development
2. Greg R. Haeg - Project Manager
3. Dan Culhane - Technical Business Development Manager

PROJECT EXPERIENCE

- Repres 1. The Guthrie Theatre, Minneapolis, Minnesota
Projects: 2. Dee & Charles Wylly Theatre, Dallas, Texas
3. St. Bernard Cultural Center, Chalmette, LA

Theatrical Equipment Fee Summary

All Theatrical Equipment (1.1a - 1.1d) \$ 2,141,607.00

PACKAGE # 2 – THEATRICAL EQUIPMENT

SECTION 04 BID FORM - REVISED

PRICING AND PROJECT DELIVERY SCHEDULE

(THE SECTION MUST BE COMPLETED, SIGNED, AND RETURNED WITH YOUR BID.
FAILURE TO SIGN AND RETURN THIS SECTION WILL RESULT IN THE REJECTION OF YOUR
PROPOSAL.)

Bid of: SECOA, Inc.
(Bidder)

To: City of Sugar Land

Ref: Smart Financial, Performing Arts Center in Sugar Land, TX

Invitation to Bid No. 2015-13

Having carefully examined all of the requirements of the Invitation to Bid and all other Sections of this request for competitive bid and any attachments thereto (collectively "Bid Package"), and having adequate time and opportunity to submit this Bid, including adequate opportunity and time for review of the project site, the Bid Documents, the conditions effecting the work, the cost of labor and materials in the locale of the work and to otherwise properly and fully investigate all matters bearing upon the submission of this Bid and performance of the Work, the undersigned proposes to furnish the equipment, services, labor, material and other items as are required by the terms stated in the Bid Package, for the consideration and on the basis stated herein below. We hereby submit to the City of Sugar Land, pursuant to the provisions of the terms and conditions of the Bid Package and based on the latest Bid Documents, the following Lump Sum Price Bid:

1.1 The lump sum amount for the Work (including all [design, manufacture, delivery, installation and/or construction work and general conditions])

1.1a Portable Platforms – Spec Section 116123

The lump sum amount for the Work (including all [design, manufacture, delivery, installation and/or construction work and general conditions]) is:

One Hundred Ninety Four Thousand,

Nine Hundred Forty Five Dollars

(Words)

(\$194,945.00)

(Numerals)

1.1b Rigging, Curtains, & Tracks – Spec Section 116133

The lump sum amount for the Work (including all [design, manufacture, delivery, installation and/or construction work and general conditions]) is:

One Million, Three Hundred Seven Thousand,

Five Hundred Seventy Six Dollars

(Words)

(\$ 1,307,576.00)

(Numerals)

1.1c Pit Lift – Spec Section 144313

The lump sum amount for the Work (including all [design, manufacture, delivery, installation and/or construction work and general conditions]) is:

Three Hundred Thirty Five Thousand,

Nine Hundred Sixty Dollars

(Words)

(\$ 335,960.00)

(Numerals)

1.1d Room Divider System – Spec Section 116133

The lump sum amount for the Work (including all [design, manufacture, delivery, installation and/or construction work and general conditions]) is:

Three Hundred Three Thousand,

One Hundred Twenty Seven Dollars

(Words)

(\$ 303,127.00)

(Numerals)

1.1.e All Theatrical Equipment (1.1a – 1.1d)

The lump sum amount for the Work (including all [design, manufacture, delivery, installation and/or construction work and general conditions]) is:

Two Million, One Hundred Forty One Thousand,

Six Hundred Seven Dollars

(Words)

(\$ 2,141,607.00)

(Numerals)

1.2 Addenda

The Bid prices reflect the requirements of the following Addendum/Addenda, which the undersigned Bidder has received. If there is no Addendum, the Bidder has left them blank:

A. Addendum No. 1 Dated 04/01/2015

B. Addendum No. 2 Dated 04/10/2015

C. Addendum No. 3 Dated 04/16/2015

D. Addendum No. 4 Dated 04/16/2015

E. Addendum No. 5 Dated 04/21/2015

F. Addendum No. 6 Dated 04/23/2015

1.3 DELIVERY AND CONSTRUCTION TIME:

The undersigned agrees to complete all design, manufacture, delivery and installation of the Work at the times specified within the current schedule dates set forth in the Project schedule supplied by the Construction Manager At Risk, Linbeck Group, LLC, as same may be adjusted from time to time, and if no schedule is provided within the following maximum number of calendar days from the Notice to Proceed date:

As per schedule

(In words)

1.4 The Bidder agrees that this Bid is irrevocable and will not be withdrawn for a period of ninety

(90) days from the Bid Date.

1.5 Bid Clarifications:

Inclusions:

N/A

Exclusions:

N/A

Clarifications:

N/A

Failure to complete all portions of this Proposal form may cause the entire Proposal to be rejected.

Submitted By:

SECOA, Inc.

(Bidder)

(Authorized Signature)

Jeff Jones, VP Business Development

(Printed Name/Title)

04/29/2015

(Date)

8650 109th Avenue North

(Street Address)

(Mailing Address)

Champlin, MN 55316

(City, State, Zip Code)

763-506-8800

(Telephone Number)

763-506-8844

(Facsimile Number)

END OF SECTION

BID BOND

THE COUNTY OF HENNEPIN

33

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned
SECOA, Inc. as Principal, and Hartford Fire Insurance Company as
 Surety, are hereby held and firmly bound unto the City of Sugar Land, Texas as Owner in the penal sum of
 \$ Five Percent of Amount Bid (5% of Total Bid Amount) for the payment of which, well and truly to be made,
 we hereby jointly and severally bind ourselves, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Owner a certain bid ("Bid"), attached hereto and hereby made a part hereof to enter into a contract in writing for the Work required for the construction of the:

(a) If said Bid shall be rejected, or

(b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the form and time required under the Invitation to Bid and a Performance Bond, Payment Bond and the required evidence of insurance in accordance with said contract, or

(c) If, after Owner's acceptance of Principal's Bid, Principal fails to enter into such contract and/or fails to deliver the Performance Bond, Payment Bond and/or the required evidence of insurance, and if the Principal shall pay to the Owner the difference, not to exceed the penalty hereof, between the amount specified in said Bid and such larger amount for which the Owner may in good faith contract with another party to perform the Work covered by Principal's said Bid,

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way be impaired or affected by any extension of the time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year set forth above.

ATTEST, SEAL: (if a corporation)
WITNESS: (if not a corporation)

SECOA, Inc.
(Name of Principal)

By: [Signature]
Name: James Kirwin
Title: Project Coordinator

By: [Signature]
Name: Seth Jones
Title: Vice President
Date: April 16, 2015

ATTEST/WITNESS (SEAL)

Hartford Fire Insurance Company
(Full Name of Surety)

By: [Signature]
Name: Michelle Sylvester
Title: Witness
Date: April 16, 2015

One Hartford Plaza, Hartford, CT 06155-0001
(Mailing Address of Surety for Notice)

One Hartford Plaza

Hartford, CT 06155-0001
(Physical Address of Surety)

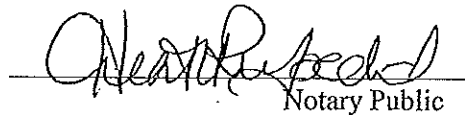
Phone Number of Surety: (763) 302-7109

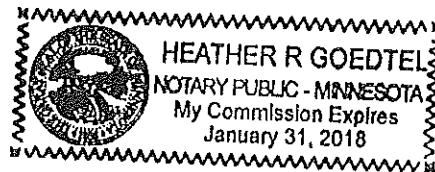
By: [Signature]
Name: Nina E. Werstein
Title: Attorney-in-Fact
Date: April 16, 2015

Surety Acknowledgement

State of MINNESOTA }
County of HENNEPIN } ss.

On this 16 day of April, 2015, before me personally came Nina E. Werstein,
to me known, who, being by me duly sworn, did depose and say that she is an attorney-in-fact of
Hartford Fire Insurance Company, the corporation described in and which executed the within
instrument; that she knows the corporate seal of said corporation; that the seal affixed to the within
instrument is such corporate seal, and that she signed the said instrument and affixed the said seal as
Attorney in Fact by authority of the Board of Directors of said corporation and by authority of this
office under the Standing Resolutions thereof.


Notary Public



POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

Bond T-4

One Hartford Plaza

Hartford, Connecticut 06155

call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Code: 41-710928

- ☒ Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- ☒ Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- ☒ Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- ☐ Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of Unlimited**

Brian D. Carpenter, Heather R. Goedel, Jessica Hoff, Nicole Langer, Dennis G. Loots, Craig Olmstead, Laurie Pflug, Jill N. Swanson, Michelle Sylvester, Nina E. Werstein of MINNEAPOLIS, Minnesota

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by ☒, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on August 1, 2009, the Companies have caused these presents to be signed by its Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Wesley W. Cowling

Wesley W. Cowling, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Vice President

STATE OF CONNECTICUT

COUNTY OF HARTFORD

ss. Hartford

On this 12th day of July, 2012, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Kathleen T. Maynard

Kathleen T. Maynard
Notary Public

My Commission Expires July 31, 2016

I, the undersigned, Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of April 16, 2015

Signed and sealed at the City of Hartford.



Gary W. Stumper

Gary W. Stumper, Vice President

Recent Project References

5/2006 – The Guthrie Theatre

\$929,880 – Minneapolis, Minnesota

100% Complete

McGough Construction – John Pfeifer

PH: 651.633.5050; Cell: 612.338.8043

Architectural Alliance, Inc. –

Bob Zakaras; PH: 612.871.5703

- Stage Rigging, Curtains, Platforms + Traps, Vertical Lift Sound Door Rigging, Retractable Sound Absorbing

8/2010 – St. Bernard Cultural Center

\$1,276,000 – Chalmette, LA

100% Complete

Mapp Construction – Tim Mitch

PH: 225.757.0111

Waggonner & Ball Archs –

David Waggonner; PH: 504.524.5308

- Rigging, Pit Filler, Lighting, Dimming, Curtains, Track, Vortek

7/2011 – Allen High School Auditorium

\$1,729,920 – Allen, TX

100% Complete

Pogue Construction – David Taylor

PH: 972.529.9401

PBK Architects – Joe Tremblay

PH: 972.233.1323

- Rigging, Stage Traps, Grid Trap, Orchestra Shell, Lighting System, Curtains, Acoustic Curtains, Serapid Lift

9/2012 – Paramount Theatre

\$1,253,000 – Cedar Rapids, IA

100% Complete

Ryan Companies – John Ryan

PH: 319.731.2844

Martinez & Johnson – Ellen Delaney

PH: 202.333.4801

- Rigging, Motorized Rigging Hardware, Fire Curtain, Curtain and Track, Pit Filler, Orchestra Pit Lift

5/2009 – Dee & Charles Wyly Theatre

\$6,095,875 – Dallas, Texas

100% Complete

McCarthy Building Co. – Gary Akin

PH: 972.991.5500

Kendall/Heaton Assoc. – Rollie Childers

PH: 713.877.1192

- Vortek, Curtains, Platforms, Rigging, Pipe Grid, Seat Towers, Seat Wagons, Equipment Controls, Lift

3/2011 – New Mexico Military Institute

\$1,076,440 – Roswell, NM

100% Complete

Waide Construction – Matty Roehlke

PH: 575.921.5084

Van H. Gilbert Architects –

Steven Cechvala; PH: 505.247.9955

- Rigging, Orchestra Shell, Platforms, Curtains, Dimming and Control System, Fixtures, Pit Filler

3/2012 – Del Mar College

\$887,477 – Corpus Christi, TX

100% Complete

Bartlett Cocke/Beecroft – Austin Ayon

PH: 361.882.6791

Richter Architects – Sheldon Schroeder

PH: 361.882.1288

- Rigging, Pit Filler, Lighting, Curtain and Track

5/2013 – Saenger Theatre

\$1,412,241 – New Orleans, LA

100% Complete

Broadmoor Corporation – Skender Kek

PH: 504.885.5400

Martinez & Johnson Architecture –

Gary Martinez; PH: 202.333.4480

- Rigging, Winches, Fire Curtain, Lighting, Dimming, Platform



8/2013 - Churchville-Chili Central School

\$1,072,668 - Churchville, NY

100% Complete

Campus Construction Management Group – Mark Esposito

PH: 585.293.1800

SEI Design Group – Brian Cieslinski

PH: 585.442.7010

- Rigging, Orchestra Shell, Pit Filler, Lift, Lighting Dimming, Curtains and Track

11/2014 – Pittsburg State University Fine Arts

\$1,307,060 – Pittsburg, KS

Currently in Process

Crossland Construction – Lance Garrett

PH: 620.429.1414

ACI Boland – Duane Cash

PH: 913.382.2300

- Adjustable Acoustics, Orchestra Enclosures, Platforms, Rigging, Fire Safety Curtain, Draperies, Pit Lifts, Seating Wagons, Lighting, Dimming

10/2013 – West Connecticut State University

\$1,167,263 - Danbury, CT

100% Complete

Dimeo Construction – Craig Bolton

PH: 401.641.9068

Amenta/Emma Architects – Bob Swain

PH: 860.549.4725

- Rigging, Motorized Rigging Hardware, Acoustical Banner, Fire Curtain, Curtain and Track, Pit Filler

6/2015 – Pebbles Hills High School

\$1,064,030 – El Paso TX

Currently in Process

Buford Thompson – Andrew DeLaRosa

PH: 915.857.7979

- Rigging, Portable Stage, Lighting & Controls, Curtain

SECOA, Inc, Officer List:

Chief Executive Officer

Liesl McDonald

8650 109th Avenue North

Champlin, MN 55316

Ph: (800) 328-5519

Email: businessdevelopment@secoa.com

Vice President of Business Development

Jeff Jones

8650 109th Avenue North

Champlin, MN 55316

Ph: (800) 328-5519

Email: j.jones@secoa.com

Controller

Sheryl Laughlin

8650 109th Avenue North

Champlin, MN 55316

Ph: (800) 328-5519

Email: s.laughlin@secoa.com





Theatre Equipment | Systems | Integration

List of Equipment Owned or Rented/Leased by Bidder, Which Will Be Dedicated to the Construction of the Project:

- Motorized Personnel Lifts



SECOA Investors, LLC and Subsidiary

Consolidated Financial Statements

December 31, 2014 (Reviewed) and 2013 (Audited)



BOULAY

SECOA Investors, LLC and Subsidiary
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B O U L A Y

Independent Accountant's Review Report

To the Manager
SECOA Investors, LLC and Subsidiary
Rumson, New Jersey

We have reviewed the accompanying consolidated balance sheet of SECOA Investors, LLC and Subsidiary (collectively, the "Company"), as of December 31, 2014, and the related consolidated statements of operations, changes in members' equity, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The consolidated financial statements for the year ended December 31, 2013, were audited by us, and we expressed an unqualified opinion in our report dated March 18, 2014, but we have not performed any auditing procedures since that date.

Boulay PLLP

Certified Public Accountants

Minneapolis, Minnesota
April 3, 2015

SECOA Investors, LLC and Subsidiary
Consolidated Balance Sheets

December 31,	2014 (Reviewed)	2013 (Audited)
Assets		
Current assets		
Cash	\$ 800,265	\$ 869,060
Accounts receivable, net	3,752,900	4,627,860
Inventories, net	895,430	1,176,783
Costs and estimated earnings in excess of billings on uncompleted contracts	507,449	864,444
Income taxes receivable	-	231,245
Prepaid expenses and other current assets	197,490	262,377
Total current assets	6,153,534	8,031,769
Property and equipment, net	125,070	93,906
Other assets		
Deferred income taxes, net	29,000	52,000
Goodwill, net	1,604,124	1,782,360
Other assets	33,138	34,545
Total other assets	1,666,262	1,868,905
Total Assets	\$ 7,944,866	\$ 9,994,580
Liabilities And Members' Equity		
Current liabilities		
Short-term notes payable and current maturities of capital lease obligations	\$ 40,775	\$ -
Accounts payable	2,482,516	2,386,268
Accrued liabilities	384,921	462,588
Income taxes payable	2,250	-
Billings in excess of costs and estimated earnings on uncompleted contracts	849,936	667,269
Deferred income taxes	29,000	4,000
Total current liabilities	3,789,398	3,520,125
Capital lease obligations, net of current maturities	14,379	-
Commitments and contingencies		
Members' equity	4,141,089	6,474,455
Total Liabilities And Members' Equity	\$ 7,944,866	\$ 9,994,580

The accompanying notes are an integral part of these consolidated financial statements.
See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Consolidated Statements of Operations

For the Years Ended December 31,	2014 (Reviewed)	%	2013 (Audited)	%
Revenue	\$ 16,329,810	100.0 %	\$ 22,083,373	100.0 %
Cost of goods sold	15,447,459	94.6 %	19,781,754	89.6 %
Gross profit	882,351	5.4 %	2,301,619	10.4 %
Operating expenses				
Selling expenses	1,173,834	7.2 %	1,042,525	4.8 %
General and administrative expenses	1,991,429	12.2 %	1,811,737	8.2 %
Total operating expenses	3,165,263	19.4 %	2,854,262	13.0 %
Operating loss	(2,282,912)	(14.0)%	(552,643)	(2.6)%
Other income (expense)				
Interest expense	(6,945)	- %	(1,475)	- %
Miscellaneous income	10,491	0.1 %	4,984	- %
Total other income, net	3,546	0.1 %	3,509	- %
Loss before (provision) benefit from Income taxes	(2,279,366)	(13.9)%	(549,134)	(2.6)%
(Provision) benefit from Income taxes	(54,000)	(0.3)%	155,000	0.7 %
Net Loss	\$ (2,333,366)	(14.2)%	\$ (394,134)	(1.9)%

The accompanying notes are an integral part of these consolidated financial statements.
See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Consolidated Statements of Changes in Members' Equity

	Members'	Retained	Total
	Equity	Earnings	Members'
			Equity
Balance at December 31, 2012 (Audited)	\$ 2,139,500	\$ 5,429,089	\$ 7,568,589
Distributions	-	(700,000)	(700,000)
Net loss	-	(394,134)	(394,134)
Balance at December 31, 2013 (Audited)	2,139,500	4,334,955	6,474,455
Net loss	-	(2,333,366)	(2,333,366)
Balance at December 31, 2014 (Reviewed)	\$ 2,139,500	\$ 2,001,589	\$ 4,141,089

The accompanying notes are an integral part of these consolidated financial statements.
See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Consolidated Statements of Cash Flows

For the Years Ended December 31,	2014 (Reviewed)	2013 (Audited)
Cash Flows from Operating Activities		
Net loss	\$ (2,333,366)	\$ (394,134)
Adjustments to reconcile net loss to net cash from (used for) operating activities		
Depreciation and amortization	223,606	45,916
Provision for uncollectible accounts	13,000	26,326
Gain on sale of asset	(2,000)	-
Deferred income taxes	48,000	(32,000)
Changes in operating assets and liabilities		
Accounts receivable	861,960	323,454
Inventories	281,353	(43,898)
Income taxes receivable / payable	233,495	148,934
Prepaid expenses and other assets	66,294	(102,894)
Cost and estimated earnings in excess of billings	356,995	(59,201)
Accounts payable	96,248	464,208
Accrued liabilities	(77,667)	67,693
Billings in excess of costs and estimated earnings	182,667	(370,878)
Net cash from (used for) operating activities	(49,415)	73,526
Cash Flows from Investing Activities		
Payments for capital expenditures	(61,002)	(14,533)
Proceeds from sale of equipment	2,000	-
Net cash used for investing activities	(59,002)	(14,533)
Cash Flows from Financing Activities		
Payments on capital lease obligations	(274)	(3,390)
Proceeds from note payable	51,000	-
Payments on short-term note payable	(11,104)	-
Dividends paid	-	(700,000)
Net cash from (used for) financing activities	39,622	(703,390)
Net decrease in cash	(68,795)	(644,397)
Cash - Beginning of Year	869,060	1,513,457
Cash - Ending of Year	\$ 800,265	\$ 869,060

The accompanying notes are an integral part of these consolidated financial statements.
See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Consolidated Statements of Cash Flows

For the Years Ended December 31,	2014 (Reviewed)	2013 (Audited)
Supplemental Disclosure of Cash Flow Information:		
Cash paid (received) during the year for:		
Interest	\$ 7,143	\$ 1,529
Income tax refunds, net	\$ (227,495)	\$ (271,993)
Supplemental Disclosure of Non-Cash Investing and Financing Activities		
Property and equipment purchased through capital lease obligation	\$ 15,532	\$ -

The accompanying notes are an integral part of these consolidated financial statements.
See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2014 (reviewed) and 2013 (audited)

1. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the financial statements of SECOA Investors, LLC (the "Parent") and its wholly owned subsidiary, SECOA, Inc. (the "Subsidiary"), collectively known as the "Company". SECOA Investors, LLC is a Delaware limited liability company, and SECOA, Inc. is incorporated under the laws of the State of Minnesota. The financial statements include the accounts of SECOA Investors, LLC, and SECOA, Inc. (the "Company"). All significant inter-company balances and transactions are eliminated in consolidation.

Nature of Business

The Company, through its subsidiary, is a specialty construction contractor that designs, manufactures, and installs theatrical rigging systems, orchestra shells, staging and other theatrical equipment throughout the United States and some foreign countries. Most work is performed under fixed-price contracts. The length of the contracts vary but are typically more than one year. The Company also sells other theatrical equipment complementing its core business. The Company's customers consist primarily of high schools, colleges and universities, civic centers and performing arts centers.

Accounting Estimates

Management uses estimates and assumptions in preparing these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include percentage of completion revenue recognition, realizability of accounts receivable, valuation of deferred tax assets, and the assumptions used in the goodwill impairment analysis. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

Cash

The Company maintains its accounts primarily at two financial institutions. Beginning January 1, 2013, deposits held in noninterest-bearing transaction accounts are now aggregated with interest-bearing deposits and the combined total of deposit insurance totals \$250,000. On December 31, 2014 and 2013, the Company had cash balances in noninterest-bearing accounts totaling approximately \$800,000 and \$869,000. The Company does not believe it is exposed to any significant credit risk on cash.

Accounts Receivable

Credit terms are extended to general contractors, owners, or businesses on an individual contract or purchase order basis in the normal course of business and generally has no collateral on accounts receivable other than the ability to file a lien on the constructed equipment and on the contract's bond.

Accounts receivable are recorded at their estimated net realizable value, net of an allowance for doubtful accounts. The Company's estimate of the allowance for doubtful accounts is based upon historical experience, its evaluation of the current status of receivables, and unusual circumstances, if any. Accounts are considered past due if payment is not made on a timely basis in accordance with the Company's credit terms. Accounts considered uncollectible are written off against the allowance.

See independent accountant's review report.

1. Summary of Significant Accounting Policies (Continued)

Inventories

Inventories consist of construction material and supplies that have not been charged to specific contracts. Inventories are stated at the lower of cost or market on the weighted cost basis. The Company also capitalizes shipping and handling costs to inventories as determined under a cost allocation formula.

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided over estimated useful lives by the use of the straight-line method. Maintenance and repairs are expensed as incurred; major improvements and betterments are capitalized. The present values of capital lease obligations are classified as long-term debt and the related assets are included in property and equipment. Amortization of equipment under capital leases is included in depreciation expense.

Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third party independent appraisals, as considered necessary.

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. On January 16, 2014, the Financial Accounting Standards Board (FASB) issued guidance which provides an accounting alternative for private companies related to the subsequent accounting for goodwill. While the guidance is not effective until annual periods beginning after December 15, 2014, early adoption is permitted. Effective January 1, 2014, the Company adopted the alternative accounting approach for the subsequent accounting for goodwill. As such, the Company began to amortize goodwill on a straight-line basis over 10 years. Also pursuant to the accounting alternative, the Company will test its goodwill for impairment only upon the occurrence of an event or circumstance that may indicate the fair value of the entity is less than its carrying amount.

The Company performed an impairment analysis on goodwill at December 31, 2014 due to the operating losses incurred during 2014 and 2013, and determined that no impairment charge was necessary. Amortization expense totaled approximately \$178,000 for the year ended December 31, 2014.

1. Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments

The Company's accounting for fair value measurements of assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring or nonrecurring basis adheres to the Financial Accounting Standards Board (FASB) fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 Inputs are inputs other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Except for those assets and liabilities which are required by authoritative accounting guidance to be recorded at fair value on the consolidated balance sheets, the Company has elected not to record any other assets or liabilities at fair value.

Revenue and Cost Recognition

The Company recognizes revenues from fixed-price and modified fixed-price contracts on the percentage-of-completion method, measured by the percentage of costs incurred to date to the estimated total cost for each contract. That method is used because management considers total cost to be the best available measure of progress on the contracts. Because of the inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

Contract costs include all direct material, labor and subcontractor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs, and depreciation. Selling, general, and administrative costs are charged to expenses as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions, and estimated profitability may result in revisions to costs and income, which are recognized in the period in which the revisions are determined. Changes in estimated job profitability resulting from job performance, job conditions, contract penalty provisions, claims, change orders, and settlements are accounted for as changes in estimates in the current period.

The Company has adopted the classified balance sheet format. Although certain contracts extend beyond one year and may have realization and liquidation periods that extend beyond one year, the majority of the current assets and liabilities have realization and liquidation periods within one year.

The asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues recognized in excess of amounts billed. Such revenues are expected to be billed and collected within the normal operating cycle on uncompleted contracts. The liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings in excess of revenues recognized.

See independent accountant's review report.

1. Summary of Significant Accounting Policies (Continued)

Income Taxes

SECOA Investors, LLC elected under the Internal Revenue Code and comparable state laws to be treated as a partnership and does not incur income taxes. Instead, its earnings and losses are included in the income tax returns of the members. SECOA, Inc., a regular C corporation, files a federal tax return and multiple state tax returns based on sales or payroll allocable to such states and, therefore, there is a provision in the accompanying consolidated financial statements.

The Company recognizes deferred tax assets or liabilities, if material, for future tax consequences of events that were previously recognized in the Company's consolidated financial statements or returns. Temporary differences are the difference between reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by valuation allowances when, in the opinion of management, it is more likely than not that some, or all, of the deferred tax assets will not be realized. The measurement of deferred tax assets and liabilities is based on provisions of the enacted law; the effects of future changes in tax laws or rates are not anticipated.

Expenses are sometimes recognized in different periods for financial reporting and tax reporting. This situation is referred to as a "temporary difference." A deferred tax asset is recognized for temporary differences that will result in tax deductible amounts in future years. A deferred tax liability is recognized for temporary differences that will result in taxable amounts in future years.

The Company has adopted authoritative guidance which clarifies the requirements for accounting for income taxes relating to the recognition of income tax benefits and liabilities. The guidance provides a two-step approach to recognizing and measuring tax benefits and liabilities when realization of the tax position is uncertain. The first step is to determine whether the tax positions meet the "more-likely-than-not of being sustained upon examination by tax authorities" condition for recognition and the second step is to determine the amount to be recognized based on the cumulative probability that exceeds 50%.

The Company files income tax returns in the U.S. federal jurisdiction and in various states. The Company is no longer subject to U.S. federal income tax examinations for years before 2011 with few exceptions, and is no longer subject to state and local or non-U.S. income tax examinations by tax authorities for years before 2011. The Company's policy is to recognize estimated interest and penalties related to uncertain tax benefits in income tax expense. The Company has no significant accrued interest or penalties relating to uncertain tax positions as of December 31, 2014 and 2013 and such uncertain tax positions as of each date are insignificant.

Shipping and Handling

The Company accounts for shipping and handling costs charged to customers as a component of revenue and the associated expense as part of cost of goods sold.

Reclassifications

The presentation of certain items in the consolidated statements of operations for the year ended December 31, 2013 has been changed to conform to the classifications used for the year ended December 31, 2014. These reclassifications had no effect on operating loss or net loss as previously reported.

Advertising

The Company expenses the costs of advertising as incurred. Advertising and promotion expense for the years ended December 31, 2014 and 2013 was approximately \$47,000 and \$117,000, respectively.

See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2014 (reviewed) and 2013 (audited)

1. Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Company has evaluated subsequent events through April 3, 2015, the date which the consolidated financial statements were available to be issued.

2. Concentrations

The Company did not have any accounts receivable concentrations at December 31, 2014. The Company had one customer which accounted for 14% of total accounts receivable at December 31, 2013. The Company did not have any revenue concentrations at December 31, 2014 or 2013.

3. Accounts Receivable

Accounts Receivable consists of the following at December 31:

	2014 (reviewed)	2013 (audited)
Accounts receivable	\$ 2,644,735	\$ 3,675,204
Retainage	1,141,165	1,041,656
Total receivables	3,785,900	4,716,860
Less: allowance for doubtful accounts	(33,000)	(89,000)
Totals	\$ 3,752,900	\$ 4,627,860

4. Inventories

Inventories consists of the following at December 31:

	2014 (reviewed)	2013 (audited)
Raw materials	\$ 850,891	\$ 1,136,105
Work in process	44,539	40,678
Totals	\$ 895,430	\$ 1,176,783

See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2014 (reviewed) and 2013 (audited)

5. Contracts in Process

The status of uncompleted contracts is as follows at December 31:

	2014 (reviewed)	2013 (audited)
Costs incurred to date	\$ 12,600,997	\$ 17,403,841
Estimated earnings	1,335,247	1,693,134
Total costs incurred and estimated earnings	13,936,244	19,096,975
Less: billings to date	(14,278,731)	(18,899,800)
Totals	\$ (342,487)	\$ 197,175

Included in the accompanying consolidated balance sheet under the following captions:

	2014 (reviewed)	2013 (audited)
Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 507,449	\$ 864,444
Billings in excess of costs and estimated earnings on uncompleted contracts	(849,936)	(667,269)
Totals	\$ (342,487)	\$ 197,175

6. Property and Equipment

Property and equipment consists of the following at December 31:

	2014 (reviewed)	2013 (audited)
Office equipment, furniture and fixtures	\$ 751,098	\$ 698,085
Machinery and equipment	675,893	688,072
Leasehold improvements	168,356	168,356
Construction in process	12,854	-
	1,608,201	1,554,513
Less: accumulated depreciation and amortization	(1,483,131)	(1,460,607)
Totals	\$ 125,070	\$ 93,906

Depreciation expense was approximately \$45,000 and \$46,000 for the years ended December 31, 2014 and 2013, respectively.

See independent accountant's review report.

SECOA Investors, LLC and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2014 (reviewed) and 2013 (audited)

7. Accrued Liabilities

Accrued expenses consists of the following at December 31:

	2014 (reviewed)	2013 (audited)
Accrued payroll	\$ 105,816	\$ 92,759
Accrued sales taxes payable	199,277	301,732
Other	79,828	68,097
Totals	\$ 384,921	\$ 462,588

8. Line of Credit

The Subsidiary had a \$2,500,000 line of credit with its bank that expired May 2014 and was not renewed. There were no outstanding borrowings at December 31, 2013. Interest was charged at the LIBOR rate plus a LIBOR Rate Spread indexed to the senior leverage ratio with a minimum interest rate of 4%, which was the rate in effect at December 31, 2013.

9. Capital Lease Obligations

The Company had the following capital lease obligations at December 31:

	2014 (reviewed)	2013 (audited)
Capital lease obligations, due in monthly installments of \$851, maturing June 2019	\$ 15,258	\$ -
Less amounts due in one year	879	-
Net long-term portion	\$ 14,379	\$ -

Property and equipment includes the following amounts for capital leases at December 31:

	2014 (reviewed)	2013 (audited)
Assets under capital lease	\$ 15,532	\$ 39,390
Accumulated amortization	1,553	39,390
Net equipment under capital lease	\$ 13,979	\$ -

See independent accountant's review report.

9. Capital Lease Obligations (Continued)

Minimum future lease payments under capital leases are as follows at December 31, 2014:

	Capital Leases
2015	\$ 10,212
2016	10,212
2017	10,212
2018	10,212
2019	5,106
Less amount representing interest	30,696
Total capital leases	\$ 15,258

10. Operating Lease Obligations

SECOA, Inc. leases its building from an unrelated party. The lease term is twenty years, which ends on January 31, 2017. The Company has options to renew the lease for three additional five year periods. The Company is obligated to pay monthly "base rent" plus "additional rent." The additional rent is for common area maintenance expenses, property taxes, and any utilities not paid directly by the Company. The base rent will remain the same through January 31, 2017. The additional rent is adjusted annually based upon actual expenses incurred during the previous fiscal year of the lessor. Total rent expense under this lease for the years ended December 31, 2014 and 2013 was approximately \$560,000 and \$552,000, respectively.

In addition, the Company leased equipment under two non-cancelable leases, which expired in September 2014 and December 2014 and were not renewed. The Company entered into another non-cancelable lease in October 2014, which expires December 2018. Rent expense for equipment operating leases for the years ended December 31, 2014 and 2013 was approximately \$14,000 and \$19,000, respectively.

At December 31, 2014, the Company had the following minimum commitments for payment of operating leases which at inception had a noncancelable term of more than one year:

	Operating Leases
2015	\$ 498,517
2016	498,517
2017	37,905
2018	706
Total minimum lease commitment	\$ 1,035,645

See independent accountant's review report.

11. Income Taxes

The income tax provision (benefit) consists of the following components at December 31:

	2014 (reviewed)	2013 (audited)
Current	\$ 6,000	\$ (123,000)
Deferred	48,000	(32,000)
Total provision (benefit) for income taxes	\$ 54,000	\$ (155,000)

The tax provision (benefit) differs from the expense (benefit) that would result from applying federal statutory rates to income before income taxes due to the effect of state income taxes, the valuation allowance, and because certain expenses are deducted for financial reporting that are not deductible for tax purposes.

The total deferred tax assets and liabilities included within the net deferred tax asset are as follows at December 31:

	2014 (reviewed)	2013 (audited)
Deferred tax liabilities	\$ (29,000)	\$ 100,000
Deferred tax assets	822,000	(52,000)
Deferred tax asset valuation allowance	(793,000)	-
Net deferred tax asset	\$ -	\$ 48,000

The Company has recorded deferred tax assets and liabilities arising from temporary differences in amounts recorded in the consolidated financial statements and income tax returns, primarily related to differences between the bases for the allowance for doubtful accounts, prepaid expenses, certain accrued expenses, and property and equipment and net operating losses.

Deferred income taxes are presented in the consolidated balance sheet under the following captions at December 31:

	2014 (reviewed)	2013 (audited)
Current liabilities	\$ (29,000)	\$ (4,000)
Long-term assets, net of valuation allowance	29,000	52,000
Totals	\$ -	\$ 48,000

As of December 31, 2014 the Company has net operating loss carryforwards for future use of approximately \$2,126,000 for federal income tax purposes and approximately \$2,334,000 for state income tax purposes along with R&D credit carryforwards which will expire at various dates from 2032 to 2034. Based on the recent history of taxable losses, management provided a reserve on the deferred tax assets relating to these carryforwards of approximately \$793,000.

See independent accountant's review report.

12. Employee Benefit Plans

The Company has a discretionary 401(k) retirement plan for substantially all employees who have attained a certain age and service requirements. The Company may make discretionary matching contributions with board approval, which currently is equal to 50% of the employee contributions up to 6% of participant's gross annual compensation. Employer contributions of approximately \$49,000 and \$52,000 were made for the years ended December 31, 2014 and 2013, respectively.

13. Backlog

Backlog represents the amount of revenue the Company expects to realize from work to be performed on uncompleted contracts in progress at year-end and from contracts on which work has not yet begun.

Backlog balance at December 31, 2013	\$ 19,939,032
New contracts during the year	15,231,691
	<hr/> 35,170,723
Less: contract revenue earned to date	15,793,868
	<hr/>
Backlog balance at December 31, 2014	\$ 19,376,855

The backlog balance at December 31, 2014 and 2013 includes information from signed commitments for future projects (binding letters of intent) totaling approximately \$5,844,000 and \$3,773,000, respectively. Subsequent to year end and through the date of this report, the Company has entered into additional signed contracts or binding letters of intent totaling approximately \$1,717,000.

14. Transactions with Related Parties

The manager of SECOA Investors, LLC, Guppy Investments, LLC, is entitled to receive for its management services a fee not to exceed 1% of SECOA, Inc.'s annual sales. For the years ended December 31, 2014 and 2013, the management fee earned by Guppy Investments, LLC was approximately \$163,000 and \$223,000, respectively, of which approximately \$39,000 and \$0 remained unpaid at December 31, 2014 and 2013.

INTRODUCTION TO SECOA PERSONNEL

MEET OUR LEADERSHIP...

The key role of Vice President of Business Development is shared by Jeff Jones and Paul Bergstrom. Their primary focus is developing business relationships with leading General Contractors, Architects, and Theatre Consultants to achieve early visibility on future projects and to qualify opportunities through the bidding phase.

Jeff and Paul are committed to strengthening SECOA's position as the dominant specialty contractor serving the performing arts industry. Jeff and Paul work closely with the Project Coordinators and Estimating Team to assess risk of bidding projects, develop and share bid strategies for specific markets, facilitate the preparation of bid proposals, and mediate Value Engineering options that may occur post-bid. Jeff is also actively involved with Project Management staff through the evolution and completion of each project.



Jeff Jones

Vice President of Business Development

In a career at SECOA that spans nearly three decades, Jeff has worn many "hats," acting as an Installation Foreman, Installation Project Manager and Vice President of Sales and Marketing in addition to his current position as VP of Business Development, a post he has held for eight years.

Currently, Jeff is involved with all departments including Business Development, Sales and Marketing, Project Coordination, Estimating, and Project Planning and Management. Jeff's overall knowledge of the daily functions and activities connected to these departments enables him to effectively manage and implement practices and procedures which are essential to the future growth of SECOA. Jeff's ability to communicate easily and form longstanding relationships with Owners, Architects, General Contractors and Suppliers alike have earned him a well-deserved reputation as an "expert" in the industry as well as the trust and respect of his colleagues.



Paul D. Bergstrom

Vice President of Business Development

Paul is a graduate of Saint Cloud State University with a Bachelors of Science in Marketing and a minor in Economics. Paul's experience extends over a decade working in negotiated sales with interior architectural products and selling to leading General Contractors and project Owners throughout the Upper Midwest.

Paul has been affiliated with DBIA (Design Build Institute of America), and worked on the following notable SECOA projects: Cowles Center, Minneapolis, Minnesota; Janet Wallace Fine Arts Center and Leonard Center at Macalester College and the Anderson Athletic and Recreation Complex at the University of Saint Thomas, all in Saint Paul, Minnesota; and the Saint Scholastica Science Center in Duluth, Minnesota.



Dan Culhane

Technical Business Development Manager

Collectively, Dan has 13 years of experience with SECOA in the areas of Technical Business Development and Engineering Management. In his position as Engineering Manager, Dan was responsible for converting architectural drawings and consultants' specifications into manufacturing drawings as well as facilitating the design of specific solutions to venue problems. Dan is an ETCP Certified Theatre Rigger and Subject Matter Expert, which earned him the 2012 Frank Stewart Volunteer of the Year Award. Dan's expertise in theatre began 15 years ago working as a Technical Director in notable theatres across the country, including: the Guthrie Theater and the Children's Theatre Company, Minneapolis, Minnesota; Stage West, Springfield, Massachusetts; and Great Lakes Theatre Festival, Cleveland, Ohio.

As a member of the Publishing, Lighting & Sound America (PLASA) Technical Standards Program and active member of the Rigging Working Group, Dan was a leader in revising the standards for Fire Safety Curtains, earning him the position of Chairman of the task group. Dan is also actively involved with PLASA's Stage Lift Working Group, and is in the midst of establishing/developing industry standards for stage lifts. Dan is on the Board of Directors for United States Institute for Theatre Technology (USITT) and also serves as Treasurer; he is member of the UL Standards Technical Panel for Fire Doors, and serves as an alternate committee member to the National Fire Protection Association (NFPA) Technical Committee on Fire Doors and Windows. Dan is a graduate of the University of Wisconsin, Madison and holds a Master of Fine Arts in Theatre Technology as well as a Bachelor of Arts from Southern Illinois University, Carbondale, Illinois.

MEET OUR PROJECT MANAGERS (or PROJECT MANAGEMENT TEAM)...

Our dedicated team of Project Managers includes six extraordinary individuals who have over 50 years of experience, collectively, in the performing arts industry. Their primary responsibility is proactive portfolio management of projects to successful completion by ensuring timely delivery and minimized risk. As Project Managers, they are tasked with making sure that each project meets the intent of the plans and specifications, and that they are within the limits of the budget set forth by the Owner. SECOA Project Managers are skilled in working with individuals and teams from multiple disciplines in a collaborative environment. They are expert risk managers, effective problem solvers, articulate communicators, and proficient in contract interpretation.



Greg R. Haeg

Project Manager

Greg has over 13 years of experience as a professional Theatre Rigging Installer and been with SECOA for over two years. A graduate of Saint John's University, Collegeville, Minnesota, with a Bachelor of Arts in Biology, Greg is also ETCP and OSHA certified with specialized Dealer training through ETC Stage Lighting Solutions and Daktronics, known for Vortek motorized rigging. Greg is a member of Ironworkers Local #433 located in Los Angeles, California, and Las Vegas, Nevada.

Greg has worked on the following SECOA projects: Fayetteville High School, Fayetteville, Arkansas; Herb Alpert Educational Village, Santa Monica, California; Holden Brownstone Center at Pearl River Community College, Poplarville, Mississippi; Paramount Theatre, Cedar Rapids, Iowa; and Zachary 'Scott Topfer Theater, Austin, Texas.



Dan J. Lori

Project Manager

Dan has 27 years of experience in the theatre design industry, five of which have been with SECOA. Dan holds a Master of Fine Arts degree from Southern Illinois University in Carbondale, Illinois, and a Bachelor of Arts in Communication Arts & Theatre from Saint Mary's University, Winona, Minnesota. Dan is a certified ETCP Theatre Rigger and has an OSHA 10 certification. He has had specialized training in Technical Rigging Safety and Flying, and has been affiliated with the United States Institute for Theatre Technology (USITT) for a number of years including completion of multiple rigging workshops.

Dan's professional expertise includes: Theatre Stage, Lighting and Costume Design; Technical Direction; Technical Theatre & Production Management; and Video Multimedia. Some of Dan's most memorable projects with SECOA include: Saint Bernard's Cultural Arts Center, Chalmette, Louisiana; Saenger Theatre, New Orleans, Louisiana; Aventura Cultural Arts Center, Aventura, Florida; and Allen High School, Allen, Texas.



Anthony (Tony) M. Moore

Project Manager

Tony's passion for the arts began at the University of Wisconsin, River Falls, in Broad Area Art Education where he earned a Bachelor of Arts in Speech Communications with a theatre emphasis. Tony continued his education in Performing Arts Design and Technology, at the California Institute of the Arts in San Diego, California.

Tony's collective experience in the industry spans 25 years, with the last four as a Project Manager at SECOA. Tony is ETCP and OSHA certified with specialty dealer training through ETC and Daktronics, two leading industry suppliers of theatrical lighting and rigging equipment. Tony's professional expertise extends into Project Management, Sales, and rigging and lighting installation. Tony is also an affiliate member of United States Institute for Theatre Technology (USITT).

Some of the notable projects Tony has worked on at SECOA include: Janet Wallace Fine Arts Center and Leonard Center at Macalester College, Saint Paul, Minnesota; Peabody Opera House, St. Louis, Missouri; University of Wisconsin, Marathon, Wisconsin; Virginia Theatre, Champaign, Illinois; and Western Connecticut State University Fine and Performing Arts Center, Danbury, Connecticut.



Steve Hagen

Field Services Manager

Steve's current position as head of Field Services doesn't begin to cover the contribution that he has made to SECOA over the past 27 years. In addition to his current post, Steve has held the positions of Chief Operations Officer, Project Manager, Quality Control Manager, Shop Foreman and Installer. Steve is an active member of the Manufacturer's Alliance, Minnesota Manufacturer's Coalition and United States Institute for Theatre Technology (USITT).

Steve holds an OSHA 10 certification and is currently working towards certification as an ETCP Theatre Rigger. Steve has played an integral part in the following SECOA projects: Dee and Charles Wylie Performing Arts Center, Dallas, Texas; Disney Hyperion Theatre, Anaheim, California; Guthrie on the River and Minneapolis Convention Center, Minneapolis, Minnesota; and The Julliard Center for the Performing Arts, New York, New York. Steve is a graduate of North Hennepin Community College, Brooklyn Park, Minnesota.

SECTION 07

NON-COLLUSION AFFIDAVIT
TO BE EXECUTED
BY BIDDER AND SUBMITTED WITH BID

STATE OF ~~TEXAS~~ Minnesota
COUNTY OF Hennepin

Jeff Jones, being first duly sworn, deposes and says that he or she is Vice President of Business Development of SECOA, Inc. the Bidding party making the foregoing bid that the bid is not made in the interest of, or on behalf of any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the BIDDER has not directly or indirectly induced or solicited any other BIDDER to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any BIDDER or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the BIDDER has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the BIDDER or any other BIDDER, or to fix any overhead, profit, or cost element of the bid price, or of that of any other BIDDER, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the BIDDER has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

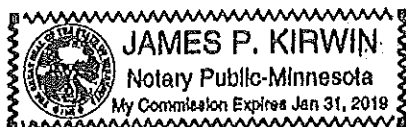
Jeff Jones 4/15/15
Signature Date
Jeff Jones

Name (Print or Type)

STATE OF ~~TEXAS~~ Minnesota
COUNTY OF Hennepin

Being duly sworn deposes and says that he/she is VP, Business Development of the above SECOA, Inc. and that the answers to the foregoing questions and all statements therein contained are true and correct.

Sworn to before me this 15 day of April, 2015.



[Signature]
Notary Public in and for the
State of ~~Texas~~ Minnesota

CONFLICT OF INTEREST QUESTIONNAIRE**FORM CIQ**

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of person who has a business relationship with local governmental entity.

N/A

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has employment or business relationship.

N/A

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

Signature of person doing business with the governmental entity

04/15/2015

Date

Adopted 06/20/2007

END OF SECTION



CITY OF SUGAR LAND

CONTRACTOR INFORMATION

Name: SECOA, Inc.

Address: 8650 109th Avenue North

Champlin, MN 55316

Principal Contact: Jeff Jones

Tax ID Number: 41-1369276

Project Number: 2015-13

Project Name: Smart Financial Centre at Sugar Land

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

Indicate in the appropriate box which statement applies to the covered potential contractor:

- ☒ The potential contractor certifies, by submission of this certification, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency or by the State of Texas.
- ☐ The potential contractor is unable to certify to one or more of the terms in this certification. In this instance, the potential contractor must attach an explanation for each of the above terms to which he is unable to make certification. Attach the explanation(s) to this certification

The undersigned certifies that the potential contractor will not knowingly enter into any subcontract with a person who is excluded, debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction, unless authorized by the city of Sugar Land, Texas. The undersigned further certifies that the potential contractor will include this section regarding exclusion, debarment, suspension, ineligibility and voluntary exclusion without modification in any subcontracts or solicitations for subcontracts.

The undersigned swears that he/she is authorized to legally bind the prospective contractor to the above-described certification and is fully aware that this certification is made under penalty of perjury under the laws of the State of Texas.

Signature/Authorized Certifying Official

Jeff Jones, VP of Business Development
Typed Name and Title

SECOA, Inc.

Prospective Contractor/Organization

04/15/2015

Date Signed

State Contractor License No. (if any)



CERTIFICATE OF LIABILITY INSURANCE

Page 1 of 2
DATE (MM/DD/YYYY)
06/30/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of Minnesota, Inc. c/o 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME: PHONE (A/C, NO, EXT): 877-945-7378 FAX (A/C, NO): 888-467-2378 E-MAIL ADDRESS: certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE	
INSURED Secoa, Inc. 8650 109th Avenue North Champlin, MN 55316	INSURER A: Hartford Casualty Insurance Company	NAIC # 29424-001
	INSURER B: Sentinel Insurance Company, Ltd.	11000-001
	INSURER C: National Surety Corporation	21881-003
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER: 23323334****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			41 CQT2169	10/31/2014	10/31/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			41 UEN QT2170	10/31/2014	10/31/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			SSE 00048793459	10/31/2014	10/31/2015	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	41 WE QT2980	10/31/2014	10/31/2015	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: Smart Financial Centre at Sugar Land; Job No. 2015-13

Buyer, ACE Theatrical Group, LLC and ACE SL, LLC are included as Additional Insureds as respects to General Liability and Auto Liability when required by written contract.

General Liability policy shall be Primary and Non-contributory with any other insurance in force for or which may be purchased by Buyer if required by written contract.

CERTIFICATE HOLDER**CANCELLATION**

City of Sugar Land 2700 Town Center Blvd. North Sugar Land, TX 77479	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

Call: 4719372 Tpl: 1879572 Cert: 23323334 ©1988-2014 ACORD CORPORATION. All rights reserved

**ADDITIONAL REMARKS SCHEDULE**

Page 2 of 2

AGENCY Willis of Minnesota, Inc.		NAMED INSURED Secoa, Inc. 8650 109th Avenue North Champlin, MN 55316	
POLICY NUMBER See First Page		EFFECTIVE DATE: See First Page	
CARRIER See First Page	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Waiver of Subrogation applies in favor of Buyer with respects to General Liability, Auto Liability and Workers Compensation if required by written contract and as permitted by law.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

**Name Of Additional Insured Person(s)
Or Organization(s):**

Location(s) Of Covered Operations

WHERE REQUIRED BY WRITTEN CONTRACT

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II - Who Is An Insured is amended to include as an additional Insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: 41 C QT2169

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies Insurance provided under the following;

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

**Name Of Additional Insured Person(s)
Or Organization(s):**

**Location And Description Of Completed
Operations**

WHERE REQUIRED BY WRITTEN CONTRACT

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

POLICY NUMBER: 41 C QT2169

EFFECTIVE DATE:



NAMED INSURED AND ADDRESS: SECOA, INC.
8650 109TH AVENUE NORTH
ENDORSEMENT NO CHAMPLIN, MN 55316

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within (10) days of the cancellation effective date to all certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the company or its agents or representatives.

This endorsement does not change the policy except as shown.

Form IH 12 00 04 98

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10/10/11



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for nonpayment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for nonpayment of premium, or by the insured, notice of such cancellation will be provided within (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

Policy Number: 41 WE QT2980

Endorsement Number:

Effective Date: Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: SECOA, INC.

8650 109TH AVENUE NORTH
CHAMPLIN, MN 55316

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within ten (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

Kris Shattuck

From: Jeff Jones
Sent: Thursday, June 25, 2015 8:15 AM
To: Laura Fleisher
Cc: Kris Shattuck
Subject: FW: SFC - Theatrical Equipment Contract
Attachments: Purchase Order Theatrical Equipment w Exhibits A and B.pdf

Here is the contract for Smart/Sugarland. We will probably need to send this to Ellen for review.

From: Sandra Ortega [<mailto:sortega@tpgfw.com>]
Sent: Tuesday, June 23, 2015 4:24 PM
To: Jeff Jones
Cc: Matthew Edwards
Subject: SFC - Theatrical Equipment Contract

Mr. Jones,

In response to your Bid proposal, we are pleased to inform you that your proposal has been carefully reviewed and your bid for the Smart Financial Center has been accepted.

Please find attached a City of Sugar Land purchase order for your review and signature. We look forward to receiving the signed documents at your earliest convenience. Please remit an electronic version as well as (2) copies by mail to the address listed below.

Thank you for your participation, and for your interest in the project. We look forward to working with you.

Best,

Sandra Ortega
The Projects Group
301 Commerce Street, Suite 1301
Fort Worth, TX 76102
D (817) 339-2918
C (817) 253-0229
sortega@tpgfw.com

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